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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-601]

Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China: Notice of Preliminary Results of Changed Circumstances Review and Extension of the Final Results

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: On June 28, 2013, the Department of Commerce (the Department) initiated a changed circumstances review (CCR) of the antidumping duty (AD) order on tapered roller bearings (TRBs) and parts thereof, finished and unfinished, from the People's Republic of China (PRC) in order to determine whether Shanghai General Bearing Co., Ltd. (SGBC/SKF), a producer/exporter of TRBs in the PRC, is the successor-in-interest to a company revoked from the AD order on TRBs in 1997 (also known as "SGBC"). We preliminarily determine that SGBC/SKF is the successor-in-interest to SGBC. Interested parties are invited to comment on these preliminary results.

DATES: EFFECTIVE DATE: INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER.

FOR FURTHER INFORMATION CONTACT: Stephen Banea, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-0656.

SUPPLEMENTARY INFORMATION:

Background

On June 15, 1987, the Department published in the Federal Register the AD order on TRBs from the PRC.¹ On February 11, 1997, the Department revoked the order on TRBs from the PRC with respect to merchandise produced and exported by SGBC, effective as of June 1, 1994.²

Effective August 1, 2012, the majority shareholder of SGBC, the General Bearing Corporation (GBC), merged with AB SKF (SKF) and, as a result of the merger, both GBC and SGBC became part of the SKF Group. On February 13, 2013, SGBC/SKF³ requested that the Department conduct a CCR pursuant to 19 CFR 351.221(c)(3)(ii) to determine whether it is the successor-in-interest to SGBC as it existed prior to its affiliation with SKF.

On June 28, 2013, the Department published in the Federal Register a notice initiating a CCR to address this question.⁴ Between July 2013 and February 2014, the Department requested additional information from SGBC/SKF, and SGBC/SKF submitted its responses to these requests from August 2013 through March 2014. Between September 2013 and July 2014, we received comments on SGBC/SKF's submissions from the Timken Company, the petitioner in this proceeding. In December 2013, we also received comments from Stemco LP (Stemco), a U.S. manufacturer and importer of TRBs.

¹ See Antidumping Duty Order: Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China, 52 FR 22667 (June 15, 1987).

² See Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Revocation in Part of Antidumping Duty Order, 62 FR 6189, 6214 (February 11, 1997).

³ Hereinafter, we refer to the post-merger company as SGBC/SKF and the pre-merger entity as SGBC.

⁴ See Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China: Initiation of Antidumping Duty Changed Circumstances Review, 78 FR 38943 (June 28, 2013).

Scope of the Order

Imports covered by the order are shipments of tapered roller bearings and parts thereof, finished and unfinished, from the People's Republic of China; flange, take up cartridge, and hanger units incorporating tapered roller bearings; and tapered roller housings (except pillow blocks) incorporating tapered rollers, with or without spindles, whether or not for automotive use. These products are currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) item numbers 8482.20.00, 8482.91.0050, 8482.99.15, 8482.99.45, 8483.20.40, 8483.20.80, 8483.30.80, 8483.90.20, 8483.90.30, 8483.90.80, 8708.70.6060, 8708.99.2300, 8708.99.4850, 8708.99.6890, 8708.99.8115 and, 8708.99.8180. Although the HTSUS item numbers are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.

Successor-in-Interest Determination

In accordance with section 751(b)(1) of the Tariff Act of 1930, as amended (the Act), we are conducting this CCR based upon the information contained in SGBC/SKF's and other interested parties' submissions. In making a successor-in-interest determination, the Department examines several factors, including, but not limited to, changes in the following: 1) management; 2) production facilities; 3) supplier relationships; and 4) customer base.⁵ While no single factor or combination of factors will necessarily provide a dispositive indication of a successor-in-interest relationship, generally, the Department will consider the new company to be the successor to the previous company if the new company's resulting operation is not

⁵ See, e.g., Pressure Sensitive Plastic Tape from Italy: Preliminary of Antidumping Duty Changed Circumstances Review, 75 FR 8925 (February 26, 2010), unchanged in Pressure Sensitive Plastic Tape from Italy: Final Results of Antidumping Duty Changed Circumstances Review, 75 FR 27706 (May 18, 2010); and Brake Rotors from the People's Republic of China: Final Results of Changed Circumstances Antidumping Duty Administrative Review, 70 FR 69941 (November 18, 2005) (Brake Rotors), citing Brass Sheet and Strip from Canada: Final Results of Antidumping Duty Administrative Review, 57 FR 20460 (May 13, 1992).

materially dissimilar to that of its predecessor.⁶ Thus, if the record evidence demonstrates that, with respect to the production and sale of the subject merchandise, the new company operates as the same business entity as the predecessor company, the Department will generally accord the new company the same AD treatment as its predecessor.⁷

SGBC was revoked from the order in 1997 and became part of the SKF Group in 2012. In conducting a successor-in-interest analysis, while we generally consider information from immediately before and after the formation of a new entity, the Department considers all information on the record relevant to the determination.⁸ In the instant case, we compared SGBC/SKF to the entity that was revoked from the order, and we considered the changes to that entity since revocation.

Preliminary Results

We preliminarily find SGBC/SKF to be the successor-in-interest to SGBC because the information on the record indicates that SGBC/SKF continues to operate as essentially the same entity that was revoked from the order. Although there were changes in SGBC's production process and board membership after revocation, these changes were made over a number of years and do not appear to be linked to changes in ownership structure. Rather, they are changes generally in the normal course of business that would occur over such a long period (*i.e.*, approximately two decades). Thus, after considering the facts on the record as a whole, we do not find that SGBC/SKF's operations (based on an examination of its management, production

⁶ See, e.g., Brake Rotors.

⁷ Id.; see also, e.g., Notice of Initiation and Preliminary Results of Antidumping Duty Changed Circumstances Review: Certain Frozen Warmwater Shrimp from India, 77 FR 64953 (October 24, 2012), unchanged in Final Results of Antidumping Duty Changed Circumstances Review: Certain Frozen Warmwater Shrimp from India, 77 FR 73619 (December 11, 2012).

⁸ See Certain Pasta from Italy: Notice of Preliminary Results of Antidumping Duty Changed Circumstances Review, 79 FR 28481, 28482 (May 16, 2014), unchanged in Certain Pasta from Italy: Notice of Final Results of Antidumping Duty Changed Circumstances Review, 79 FR 56339 (September 19, 2014).

facilities, supplier relationships, and customer base), changed so significantly such that we would find that it is a different entity from SGBC. For the Department’s detailed analysis, see the Preliminary Decision Memorandum.⁹

Public Comment

Pursuant to 19 CFR 351.310(c), any interested party may request a hearing within 10 business days of publication of this notice.¹⁰ Parties will be notified of the time and date of any hearing, if requested. Pursuant to 19 CFR 351.309(c)(1)(ii), interested parties may submit case briefs and/or written comments not later than 10 business days after the publication of this notice. Rebuttal briefs, and rebuttals to written comments, which must be limited to issues raised in such briefs or comments, may be filed not later than 15 business days after the date of publication of this notice.¹¹ Parties who submit case briefs or rebuttal briefs in this CCR are requested to submit with each argument: 1) a statement of the issue; and 2) a brief summary of the argument; and 3) a table of authorities. Interested parties who wish to comment on the preliminary results must file briefs electronically using Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at <http://iaaccess.trade.gov>. An electronically-filed document must be received successfully in its entirety by the Department’s electronic records system, IA ACCESS, by 5 p.m. Eastern Time on the date the document is due.

Final Results of the Review

⁹ See the memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance entitled, “Decision Memorandum for Preliminary Results of Antidumping Duty Changed Circumstances Review Requested by Shanghai General Bearing Company: Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People’s Republic of China,” dated concurrently with these results and hereby adopted by this notice (Preliminary Decision Memorandum).

¹⁰ This regulation authorizes the Department to alter the time limit for requesting a hearing; see also 19 CFR 351.303 for general filing requirements.

¹¹ This regulation authorizes the Department to alter the time limit for submitting case briefs.

In accordance with 19 CFR 351.216(e), the final results of this CCR are due on November 29, 2014. However, 19 CFR 351.302(b) provides that the Department may, for good cause, extend any time limit unless expressly precluded by statute. Therefore, to provide time for an adequate briefing schedule and to analyze the comments received, if any, we are extending the time period for issuing the final results of this CCR until January 31, 2015.

Notification to Interested Parties

This notice is issued and published in accordance with sections 751(b) and 777(i)(1) of the Act, and 19 CFR 351.216 and 351.221.

Dated: November 17, 2014.

Paul Piquado,
Assistant Secretary
for Enforcement and Compliance.

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